

NC Industrial Hemp Update



Laura Kilian, Legislative Liaison

NC Department of Agriculture and Consumer Services

January 16, 2019

What is Industrial Hemp?

- *Cannabis sativa* L. with a post-decarboxylation delta-9 THC concentration of 0.3% or less.
- Many uses
 - Fiber/Hurd (stem/inner stem)
 - Food (seeds & oil)
 - Pharmaceutical extracts from floral bracts(subject to FDA regulations [CBD])

History

- Authorized in Farm Bill 2014 as a pilot program.
- Article 50E. of G.S.106-568.50 established in 2015.
- Farm Bill 2018 legalized the production of hemp as an agricultural commodity and removed it from the list of controlled substances.

2018 Farm Bill Details

Nothing affects or changes what is currently in the Food, Drug and Cosmetic Act.

Allows states to regulate hemp production based on a state or tribal plan submitted to USDA.

Plan must include – info on locations of hemp production, testing for THC, disposal of plants.

States can put more restrictive parameters on the production of hemp but cannot alter the definition of hemp or put in place less restrictive policies.

The Secretary must approve plans within 60-days. The final decision is made by the Secretary, but the Secretary must consult with the Attorney General.

The Secretary has the authority to audit plans' compliance.

2018 Farm Bill Details

The Secretary must provide technical assistance to states/tribes on plans.

Any person convicted of a felony relating to a controlled substance cannot participate for a 10-year period following the conviction date – however, if they are already lawfully participating in a state hemp pilot project prior to the enactment of this bill, they can continue.

USDA must develop a plan for those states that do not submit their own plan.

USDA will keep and maintain “real-time information” regarding licenses.

Encourages USDA to enter into a MOU with law enforcement.

USDA will issue rules/guidelines, in consultation with the Attorney General.

Legal Climate with FDA

Current prohibited acts under the Food Drug & Cosmetics Act:

- Marketing of CBD with health claims
- Marketing of CBD in food (animal or human)
- CBD in a dietary supplement

Industrial Hemp Program Participants*

435 Licensed Industrial Hemp Growers

6740 Licensed Field Acres

2,023,542 Licensed Square Feet of Greenhouse production

NCDA&CS Participation

Research Stations Division

- Receive industrial hemp seed shipments at secure storage site
- Assist Plant Industry Division with distribution to licensed growers

Plant Industry Division

- Process and verify industrial hemp grower applications
- Coordination and collection of regulatory industrial hemp samples for THC% verification
- Maintain current DEA registration for NCDA&CS
- Order hemp seed for licensed growers from foreign sources and oversee hemp production process

Food and Drug Division

- Analyze crop samples for THC levels and report to Plant Industry the findings

Agronomic Division

- Assist licensed growers with agronomy issues-soil related

NCDA&CS Goals

Compliance with current law.

Ensure a safe product for human consumption.

Continue branding industrial hemp as a viable agriculture commodity to contribute to North Carolina's economy.



Current Challenges

47 out of 437 industrial hemp samples collected by NCDA&CS Plant Industry staff tested above the 0.3% THC legal limit.

Rapid growth in North Carolina with limited resources.



Legislative Recommendations

Allow S.L. 2015-299 to expire and adopt new language to stay current with federal law.

Enabling regulatory language & rulemaking authority for the processing/extraction of CBD oil to ensure the suitability of the processing facility and the identity, purity, strength and composition of the finished product.

Grading service access and marketing support.

Contact Information

Phil Wilson –Director, Plant Industry Division

phil.wilson@ncagr.gov

Brian Bowers, Administrator, Seed and Fertilizer Section

brian.bowers@ncagr.gov

Paul Adams, Seed and Fertilizer Field Supervisor, Seed and Fert. Section

Paul.Adams@ncagr.gov or industrialhemprequests@ncagr.gov

Questions?

